August 24, 2005

Dear Senator:

Senator Chuck Hagel

Washington, DC 20510

248 Russell Senate Office Building

ID #WENDODJOACS

Sen Hagel Linc

www.oi.beatrice.ne.us

05 SEP 15 AM 9: 34

RECEIVED LINCOLN DISTRICT OFFICE Beatrice, Nebraska 68310

400 Ella Street

SEP 1 6 2005

SENATOR HAGEL

This letter is written out of total frustration, let me explain. For the past 20 years we have been encouraged to utilize the FEMA buyout program in purchasing residential properties and demolishing those properties that lie within the flood plain as established by FEMA for the City of Beatrice. In the last number of years the program has been expanded to now include commercial type properties. Approximately ten years ago we purchased a commercial property owned by Peoples Natural Gas. This property is along the Big Blue River and to the best of our knowledge was a service center for the local gas company for their servicing and small construction crews. We purchased this through the FEMA program in which the purchase price was funded through FEMA at 100%. The two old structures were then demolished with the Feds paying 90% and the City of Beatrice paying 10%. The whole intent of the FEMA buyout program was to remove structures from the floodways so as to reduce contributions and insurances resulting from multiple disasters while providing open and green spaces and during times of flooding reduce floodway damages.

Now, almost 10 years later, we have received a notification from the Region VII EPA offices of Kansas City signed by a Barbara Peterson, indicating that this particular site was formerly a manufactured gas plant. We have learned that in the 1890's through approximately 1930 this parcel was used by private firms to receive coal, extract the gas from the coal, subsequently leaving a coal tar in which was then buried on the site. According to the EPA orders; because we are the current owner of the property, we are being listed as a potential, responsible party (PRP).

We have met with officials in Kansas City and it is our understanding that this site has been designated through the EPA for many years as a manufactured gas plant site (unknown to us) and yet nothing was ever filed with our local register of deeds that would have indicated to us that historically there was potential contamination as a result of the manufactured gas plant operation occurring in the late 1800's and early 1900's. According to the EPA regulations, the current owner is always listed as a PRP. If we would have known that this site was a potential contaminated site on the EPA listing, we would never have purchased this site through the federal program and place the citizens of Beatrice in a most uncompromising position with the EPA Officials. During this 110 year span this parcel was operated bought and sold by at least 6 or 8 different gas companies. At no time was any record filed either by the EPA or a State Agency indicating a potentially hazardous site.



Many of these companies I am sure are now defunct and yet should be held accountable rather than the City of Beatrice, being an innocent bystander and now because we are the owner under one federal program to rid the area of old dilapidated properties and clear the flood plain, we are now being charged with another federal agency as a site being contaminated and that we are financially responsible for the clean up that may take years and many, many dollars to resolve.

We are asking for your assistance in contacting the EPA officials and requesting that the City of Beatrice, being an innocent party, be deleted from the classification of a potential responsible party.

Sincerely yours,

James W. Bauer City Administrator

Beatrice

Correspondence Management System

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Oct 06, 2005 Sep 21, 2005

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Sep 22, 2005

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141-A CONGRESSIONAL CORRESPONDENCE

From:

Chuck Hagel

Organization:

United States Senate

Street

SR-248 Russell Senate Office Building

City/State/Zip:

Washington / DC / 20510

Country:

USA

Committee:

Sub Committee:

Constituent:

James Bauer

To:

AD-Administrator

To Org:

EPA

Subject:

Regarding site acquired through a FEMA floodplan buyout program

Signature:

RA-R7-Regional Administrator - Region 7

Signature Date:

Instruction Codes:

RA-R7-Prepare draft response for signature by the Regional Administrator for

Region 7

Instruction Notes:

Please send EPA's written response to 294 Federal Bldg, 100 Centennial Mali

North, Lincoln, NE 68508.

Lead Author:

Lead Author Office:

Lead Author Due Date:

N/A N/A

Lead Author Assigned Date: N/A

Lead Author Instruction:

Lead Author Complete Date:

Supporting Author:

CC:

' HS-Holly Smithson

Lead Info:

Assigner

Office 7 OCIR

Assignee

Assigned Date

Due Date

Instructions

Completed Date

Cynthia

Gaines

Sep 22, 2005 R7

Oct 06, 2005

RA-R7-Prepare draft response for

N/A

signature by the Regional Administrator for Region 7

Support Info:

Assigner

Office

Supporting Assignee

Assigned Date

No records found .

Assignment History:

Assigner Cynthia Gaines Office OCIR

Action

Assign R7 as lead office

Date of Action Sep 22, 2005

Assignment Comments:

Commentator

Comment

Date of Comment

No records found

CHUCK HAGEL NEBRASKA

248 RUSSELL SENATE OFFICE BUILDING (202) 224–4224 (202) 224–9083 TTY/TDD United States Senate

WASHINGTON, DC 20510-2705

September 21, 2005

FOREIGN RELATIONS

CHAIR, SUBCOMMITTEE ON INTERNATIONAL ECONOMIC
POUCH, EXPORT AND TRACE PROMOTION

BANKING, HOUSING, AND URBAN AFFAIRS CHAIR, SUGDOMINITIES ON SECURITIES AND INVESTMENT

SELECT COMMITTED ON INTELLIGENCE

BULES AND ADMINISTRATION

The Honorable Stephen Johnson
Administrator
United States Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Administrator Johnson:

Enclosed is a letter from James W. Bauer, City Administrator of Beatrice, Nebraska. Mr. Bauer reports that Region VII EPA has notified the City that it may be listed as a potentially responsible party (PRP) for a site acquired through a FEMA floodplain buyout program. The City is requesting that it not be held responsible for pollution that occurred many years before it purchased the property ten years ago.

I am very concerned about the issues Mr. Bauer has raised and would appreciate a prompt review of this matter. Please send your written response to my Lincoln office. If you need further information, please contact Lyndsy Jenness in my Lincoln office at (402) 476-1400.

Thank you for your attention to this matter.

Sincerely,

MGE

CTH:lmj Enclosure

cc: James B. Gulliford, EPA Region VII Administrator, Kansas City, KS

CHUCK HAGEL

U.S. SENATOR — NEBRASKA

To:

EPA Congressional Relations

Fax:

202-501-1519

Subject:

City of Butrice

Pages:

4 (including this one)

Date:

September 21, 2005

Please direct a response to Senator Hagel's Lincoln Office. Feel free to contact me if you need further information. Thank you.

From the desk of....

Lyndsy Mlady Jenness

Constituent Services Representative

Senator Chuck Hagel

100 Centennial Mall North Room 294

Lincoln, NE 68508

(402) 476-1400

Fax: (402) 476-0605 lyndsy_mlady@hagel.senate.gov